Permit Classifications August 10, 2007

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Classification Confusion

- August 2, 2007, Stakeholder meeting, confusion was expressed over the following permit classifications:
 - Major Source vs. Minor Source
 - Class I Permit vs Class II Permit
 - Title V vs. Non-Title V for fee purposes

Major and Minor Sources - Definitions

- "Major Source", as defined in Arizona Administrative Code (A.A.C.) R18-2-101(64), includes:
 - Major source as defined in A.A.C. R18-2-401;
 - Major source under Section 112 of the Act;
 - In Attainment Areas, sources that:
 - Emit or have the potential to emit (PTE) more than 100 tons per year (tpy) of any air pollutant, including fugitive dust.
 - Fugitive dust emissions are excluded from consideration for major source under Section 302(j) of the Act if associated with one of 26 listed source categories.

Major and Minor Sources - Definitions

- "Minor Source", as defined in A.A.C. R18-2-101(66), includes:
 - A source of air pollution that is not major under A.A.C. Title 18, Chapter 2, Article 4; and
 - Is a source over which the Director has asserted jurisdiction pursuant to Arizona Revised Statutes § 49-402(B).

Major and Minor Source – Layman's Terms

Major Source:

- State Rules Any source that emits or has a PTE greater than 100 tons per year of any pollutant; or
- Non-Attainment Area New Source Review
 - As prescribed by rule and local conditions
- Prevention of Significant Deterioration (PSD)
 - Categorical sources that emit or have a PTE greater than 100 TPY of any conventional air pollutant;
 - Non-Categorical sources that emit or have a PTE greater than 250 TPY of any conventional air pollutant.

Major and Minor Source – Layman's Terms

Minor Source:

- Synthetic Minor Source
 - A source that accepts an emission limitation, work practice standard, or installs air pollution controls to avoid being classified as a major source.

True Minor Source

 A source that, without controls or limitations, does not have the potential to emit more than 100 tons per year of any air pollutant.

Major and Minor Sources - Examples

- Examples of Major Sources:
 - Coal Fired Electricity Generating Units
 - Copper Smelters
 - Petroleum Refineries
- Examples of Synthetic Minor Sources:
 - Hot Mix Asphalt Plants
 - Flexible Printing/Packaging Operations
- Examples of True Minor Sources:
 - Dry Cleaners
 - Crematoriums

Class I and Class II Permits - Definitions

- Class I Permits are required for construction and operation of specific sources as stated in A.A.C. R18-2-302(B)(1):
 - Any major source;
 - Any solid waste incinerator required to obtain a permit pursuant to Section 129(e) of the Act;
 - Any affected source;
 - Any source in a category designated by the Administrator pursuant to 40 CFR 70.3 and adopted by the Director by rule.

Class I and Class II Permits - Definitions

- Class II Permits are required for construction and operation of specific sources as stated in A.A.C. R18-2-302(B)(2):
 - Any source, including area sources, subject to a standard, limitation or other requirement under Section 111 of the Act;
 - Any source, including area sources, subject to a standard or other requirement under Section 112 of the Act (except Section 112(r));
 - Any source that emits or has a PTE significant quantities of regulated air pollutants;
 - Stationary rotating machinery greater than 325 brake horsepower; or
 - Fuel-burning equipment that is fired at a sustained rate of more than 1 MMBTU/hr for more than 8 hours.

Class I and Class II Permits – Layman's Terms

- Class I Permits are often considered synonymous with "Title V permits" and, in general, are required:
 - If the source is a major source of air pollution;
 - If the source is a solid waste incinerator;
 - No current solid waste burners in AZ
 - If the source is subject to the Acid Rain Program (i.e. affected source);
 - If the source is required to obtain a permit that the Administrator wants to review.

Class I and Class II Permits – Layman's Terms

- Class II Sources are often times labeled "Non-Title V permits", and, in general, are required for:
 - All sources subject to a Federal New Source Performance Standard (NSPS);
 - All sources subject to a Federal National Emissions Standard for Hazardous Air Pollutants (NESHAP or MACT);
 - Sources with a PTE that is greater than significance;
 - Sources with generators rated greater than 325 brake horsepower; or
 - Fuel burning equipment that is not switched on and off in an eight hour period.

Class I and Class II Permits - Examples

- Class I Permits:
 - Coal Fired Electricity Generating Units
 - Copper Smelters
 - Refineries
- Class II Permits:
 - Hot Mix Asphalt Plants
 - Crushing and Screening Facilities
 - Boilers
 - Crematoriums

Title V and Non-Title V Fee Designations - Definitions

- Class I Title V source categories are defined in A.A.C. R18-2-326(A)(1), and include those sources that are required or elect to have a permit pursuant to R18-2-302(B)(1);
- Class II Title V source categories are defined in A.A.C. R18-2-326(A)(2), and include those sources that are required to have a permit under R18-2-302(B)(2) and for which R18-2-302(B)(2)(a)(i) or (ii) applies;
- Class II Non-Title V source categories are defined in A.A.C. R18-2-326(A)(3), and include those sources that are required to have a permit under R18-2-302(B)(2) and for which R18-2-302(B)(2)(a)(i) or (ii) do not apply

Title V and Non-Title V Fee Designations – Layman's Terms

- Class I Title V source categories include:
 - All major sources that require Class I permits
- Class II Title V source categories include:
 - All minor sources that require Class II permits and that are subject to:
 - A Federal NSPS;
 - A Federal NESHAP or MACT standard.
- Class II Non-Title V source categories include:
 - All minor sources that require Class II permits and that are not subject to:
 - A Federal NSPS;
 - A Federal NESHAP or MACT standard.

Title V and Non-Title V Fee Designations - Examples

- Class I Title V source categories:
 - Coal Fired Electricity Generating Units
 - Copper Smelters
 - Petroleum Refineries
- Class II Title V source categories:
 - Hot Mix Asphalt Plants (NSPS)
 - Dry Cleaners (NESHAP)
- Class II Non-Title V source categories:
 - Some Boilers
 - Crematoriums

Questions?